HINDUSTAN CONSTRUCTION COMPANY LTD

(CIN: L45200MH1926PLC001228)
Regd Office: Hincon House, 11th Floor, 247Park, LBS Marg, Vikhroli West, Mumbai – 400 083.
Website: www.hccindia.com **Tel.:** +91 22 2575 1000 **Fax:** +91 22 2577 7568

Notice of Postal Ballot

NOTICE TO MEMBERS PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Notice is hereby given to the Members of Hindustan Construction Company Limited pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 that the Company is seeking consent of its Members, for the proposed following resolutions by way of Postal Ballot:

1. Giving Loans/ Guarantees or providing securities for and on behalf of Subsidiary Companies (including overseas subsidiaries) and/or making investments in such Subsidiary Companies (including overseas subsidiaries):

   To consider and, if thought fit, to give assent / dissent, to the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any subsidiary companies (including overseas subsidiaries) and / or give any guarantee or provide security in connection with a loan to any subsidiary company(ies) (including overseas subsidiaries) and / or acquire by way of subscription, purchase or otherwise, the securities of any subsidiary company(ies) (including overseas subsidiaries) upto an aggregate amount not exceeding ₹ 500 crore notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.

2. Creation of Charges / Mortgages on the moveable and immoveable properties of the Company, both present and future, in respect of borrowings :

   To consider and, if thought fit, to give assent / dissent, to the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to create charges, mortgages and/ or hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, in such form and manner and with such ranking, whether exclusive, pari-passu, subservient or otherwise and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the Company, both present and future and/or on the whole or any part of the undertaking(s) of the Company, in favour of the banks, non-banking financial companies, financial institutions and other lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed/ to be availed by way of loans(s) (in Foreign currency and/or rupee currency) and/or debentures (convertible / non-convertible / secured / unsecured) and/or securities in the nature of debts instruments issued/to be issued by the Company (hereinafter 'loans'), from time to time,

provided that the total amount of loans shall not at any time exceed ₹ 10,000 crore (Rupees Ten Thousand Crore Only) in aggregate (apart from temporary loans obtained / to be obtained from the Company's bankers in the ordinary course of business) together with interest, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment/ redemption, remuneration of the Agents(s)/Trustees, all costs, charges, expenses including any increase as a result of devaluation, revaluation, fluctuation in the rates of exchange and all other monies payable by the Company in respect of the said loans in terms of the Loan Agreement(s), Debenture Trust Deed(s) or any other document, entered into or to be entered into between the Company and the lender(s), Agent(s) and Trustee(s) in respect of such borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to, between the Board of Directors and the lender(s), Agent(s) and Trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to finalise, settle and execute such documents, deeds, writings, papers, and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem fit, necessary or appropriate.

By Order of the Board
For Hindustan Construction Co. Ltd.

VITHAL P. KULKARNI
Company Secretary

Registered Office:
Hincon House,
11th Floor, 247Park,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place: Mumbai
Date: May 2, 2014

Notes:

1. The Explanatory Statement for the proposed Special Resolutions under Item No. 1 & 2 pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 setting out material facts are annexed herewith.
2. The Company has appointed Mr. B. Narasimhan, Practicing Company Secretary, to act as the Scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on May 20, 2014.
4. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means as an alternate mechanism. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-Voting in order to enable the Members to cast their votes electronically instead of dispatching postal ballot form. Please note that e-Voting is optional.

   The instructions for e-voting are as under:

   A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Depository Participants(s)]:

      (i) Open email and open PDF file. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.

      (ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

      (iii) Click on Shareholder – Login

      (iv) Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.

      (v) Password change menu appears. Change the password/PIN with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

      (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.

      (vii) Select "EVEN" of Hindustan Construction Company Limited

      (viii) Now you are ready for e-voting as Cast Vote page opens.

      (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

      (x) Upon confirmation, the message "Vote cast successfully" will be displayed

      (xi) Once you have voted on the resolution, you will not be allowed to modify your vote

(xii) Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to postalballot.hcc@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of Postal Ballot[for members whose email IDs are not registered with the Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below in the Postal ballot form:

EVEN (E Voting Event Number)	USER ID	PASSWORD/ PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

V. **The e-voting period commences on May 28, 2014 (9:00 am) and ends on June 27, 2014 (6:00 pm).** During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of May 20, 2014, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the shareholder shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way postal ballot form.

VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of May 20, 2014.

VII. Mr. B. Narasimhan, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process and physical postal ballot, in a fair and transparent manner.

VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

5. Shareholders who have registered their e-mail IDs with their Depository Participants are being sent Notice of Postal Ballot by e-mail and Shareholders who have not registered their e-mail id will receive Notice of Postal Ballot along with Postal Ballot Form.

6. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If members are opting for e-voting, then do not vote by Physical Ballot also and vice versa.

   However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.

7. Shareholders exercising their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours on June 27, 2014 (6.00 pm).

   Please note that all postal ballot forms received after June 27, 2014 (6.00 pm) will be strictly treated as if the reply from the member has not been received.

8. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form sent along with the email or down loan from the link www.evoting.nsdl.com or from the 'Investor Centre' page on the website of the Company www.hccindia.com or seek duplicate Postal Ballot Form from M/s TSR Darashaw Private Limited, fill in the details and send the same to the Scrutinizer.

9. In case, shares are jointly held, the postal ballot form should be completed and signed (as per the specimen signature registered with the company) by the first named Member and in his/her absence, by the next named Member.

10. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority letter together with attested

specimen signature(s) of the duly authorized signatory/ ies, giving requisite authority to the person voting on the Postal Ballot Form.

11. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form.
12. The vote in this Postal Ballot cannot be exercised through proxy.
13. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot / e-voting will be final.
14. The Results of e-voting and postal ballot form shall be aggregated and declared by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hccindia.com and on the website of NSDL within two(2) days of passing of the resolutions and communicated to the Stock Exchanges.

By Order of the Board
For Hindustan Construction Co. Ltd.

VITHAL P. KULKARNI
Company Secretary

Registered Office:
Hincon House,
11th Floor, 247Park,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083
Place: Mumbai
Date: May 2, 2014

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure , this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiary companies (including overseas subsidiaries) for an amount not exceeding ₹ 500 crore.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act,2013 and relevant rules made there under.

These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

The Board accordingly recommends to pass the Special resolution through postal ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except as members.

Item No. 2

The members of the Company at their Extraordinary General Meeting held on October 19, 2006 by way of an Ordinary Resolution under section 293(1)(a) of the Companies Act, 1956, had authorised the Board to create charges and/or mortgages on all or any of the moveable and immoveable properties of the Company in favour of the banks, financial institutions, non-banking finance companies and other lending agencies upto an aggregate amount of ₹ 10,000 crore.

As per provisions of Section 180 (1) (a) of the companies Act 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the members of the Company by way of a Special Resolution.

Accordingly, it is proposed to pass an enabling special resolution authorizing the Board to create charge on the moveable and immoveable properties of the Company for a value not exceeding ₹ 10,000 crore (Rupees Ten Thousand Crore Only).

The Directors recommend the resolution for your approval as a Special Resolution through postal ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution

By Order of the Board
For Hindustan Construction Co. Ltd.

VITHAL P. KULKARNI
Company Secretary

Registered Office:
Hincon House,
11th Floor, 247Park,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083

Place: Mumbai
Date: May 2, 2014